

**Remarks**

Claims 1 – 11 and 13 – 46 are pending in the instant patent application. Claims 12 and 21 have been canceled. Claims 1-8 and 24-44 are withdrawn from consideration. Claims 9-11, 13-23 and 45-46 are rejected. Claim 9 has been amended. No new matter has been added as a result of the amendment.

**Claim Rejections under 35 U.S.C. § 103(a)**

Claims 9, 13-14, 16-17 and 45-46 stand rejected under 35 U.S.C. § 103(a) as being obvious over Wolfberg et al. (U.S. Patent 5,214,579) (hereinafter “Wolfberg”) in view of Anonymous Asset Allocation programs reference (hereinafter “AA reference”) and further in view of Edesess (U.S. Patent 5,884,287) (hereinafter “Edesess”). Claims 10-11, 15, 18-21 and 23 are rejected under 35 U.S.C. § 103(a) as being obvious over the Wolfberg in view of the AA reference and further in view of Edesess and Lane et al. reference (hereinafter “Lane”). Claim 22 stands rejected under 35 U.S.C. § 103(a) as being obvious over the Wolfberg in view of the AA reference and in view of Edesess and Lewellen et al. reference (hereinafter “Lewellen”).

To establish a *prima facie* case of obviousness under 35 U.S.C. § 103(a), three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine the reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference(s) when combined must teach or suggest all of the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must be found in the prior art, and not based on applicant’s disclosure. *In re Vaeck*, 947 F.2d 488 (Fed. Cir. 1991).

In rejecting the claims, the Examiner states that *KSR International Co. v. Teleflex Inc.* “forecloses the argument that a specific teaching, suggestion or motivation is required to support a finding of obviousness.” Contrary to the Examiner’s assertions, even after *KSR*, “there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *KSR* at 14. The Court reinforced this by stating that “a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.” *Id.*

Contrary to the Examiner’s argument that the TSM test has no application after *KSR*, the Court of Appeals for the Federal Circuit in *Takeda Chemical Industries v. Alphapharm*, No. 06-1329, slip op. (Fed. Cir. June 28, 2007), has applied the TSM test after *KSR*. The Appellant in this declaratory judgment

action argued that the claimed chemical compound was an obvious modification of a previously known compound—the modification requiring the substitution of a homolog in a different ring position. (*Id.* at 5.) The Federal Circuit rejected this, holding that “in cases involving new chemical compounds, it remains necessary to identify some reasons that would have led a chemist to modify a known compound in a particular manner to establish *prima facie* obviousness of a new claimed compound.” (*Id.* at 10.) Notably, the Court also rejected the Appellant’s “obvious to try” argument, as the Appellant failed to demonstrate that one of ordinary skill would have chosen the prior art compound to modify from the millions of possibilities. (*Id.* at 15.). Thus, contrary to the Examiner’s statement, the TSM test is very much alive and well.

Claim 9, as amended, teaches a method for projecting an accumulated investment amount for a portfolio having a plurality of funds over a preselected time period comprising the steps of determining the total numbers of years in the preselected time period; inputting initial and periodic contributions and fund allocations for the plurality of funds; generating a projection random number starting point for an initial year in the preselected time period; completing a projection method parameters file in which various parameters are identified, including a standard deviation of return for the plurality of funds, an average yield for the plurality of funds, and a probability that the average yield for the plurality of funds will exceed a projected yield in any year; generating a random number starting point for a subsequent year in the preselected time period based upon the random number starting point for the initial year; automatically calculating the time needed to process a projection of the accumulated investment amount for the portfolio having the plurality of funds; and automatically performing the projection of the accumulated investment amount for the portfolio having the plurality of funds. None of the cited references, either singly or in combination, teach or suggest each and every element of the recited independent claim. For example, the references, either singly or in combination, do not teach “generating a random number starting point for a subsequent year in the preselected time period based upon the random number starting point for the initial year” or using the parameter of the “probability that the average yield for the plurality of funds will exceed a projected yield in any year”. The teaching in Edesses relates to generating a risk and return in a portfolio and the probability that of achieving a required rate for a portfolio, which is not the same as calculating a probability that a fund will **exceed** a projected yield in any year. The Examiner states that “the probability of achieving a required rate of return is the same as the probability of exceeding a projected yield.” This is an incorrect assertion. There are at least 3 separate possible outcomes namely, the probability of achieving a required yield, the probability of exceeding the yield and the probability of falling short of the yield. Even after KSR, the Examiner cannot make a conclusory assertion of the existence of claim elements in the cited references

(when they are not present) nor state that the combination of the cited references renders the claimed invention obvious, merely by demonstrating that each of its elements was independently known in the prior art.

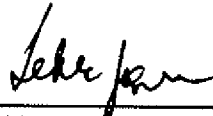
Therefore, Applicant respectfully requests the withdrawal of the rejection against claim 9 because a *prima facie* case of obviousness has not been established. Applicant also requests the withdrawal of the rejections of dependant claims 10-11, 13-23 and 45-46 because these claims depend from claim 9, and claim 9 is non-obvious over the combination of the cited references.

### CONCLUSION

In view of the foregoing, it is believed that all claims now pending in this application are in condition for allowance. Should the Examiner not agree, the Applicant respectfully asks the Examiner to contact the undersigned at 214-466-4116 (direct line) to discuss any remaining issues and accelerate the examination and allowance of this application. Authorization is granted to charge any outstanding fees due at this time for the continued prosecution of this matter to Morgan, Lewis & Bockius LLP Deposit Account No. 50-0310 (Client Matter No. 064385-5030US).

Respectfully submitted,

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